Political Science 12: IR -- Second Lecture, Part 3

2

Understanding Interests, Interactions, and Institutions

Interests, Interactions, and Institutions

1. Interests: actors and preferences
2. Interactions: cooperation, bargaining, public goods, and collective action
3. Institutions

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Interests:
Actors and Preferences

Who are the actors?

Interests:
Actors and Preferences

What do they want? Different actors have different preferences

Interests:
Actors and Preferences

Interests: Actors and Preferences

Table 2.1:
Key Categories of Actors and Interests in World Politics

Actor	Commonly ascribed interests	Examples
States	Security, power, wealth, ideology	United States, Canada, China, Switzerland, India, Uruguay
Politicians	Re-election/retention of office, ideology, policy goals	President of the United States, Prime Minister of Great Britain, Speaker of the U.S. House of Representatives
Firms, industries, or business associations	Wealth, profit	General Motors, Sony, the pharmaceutical industry, National Association of Manufacturers, Business Roundtable
Classes or factors of production	Material well-being, wealth	Capital, labor, land, human capital
Bureaucracies	Budget maximization, influence, policy preferences; often summarized by the adage of "where you stand depends on where you sit"	Department of Defense, Department of Commerce, National Security Council, Ministry of Foreign Affairs
International organizations	As composites of states, they reflect the interests of member states according to their voting power. As organizations, they are assumed to be similar to domestic bureaucracies.	United Nations, International Monetary Fund, International Postal Union, Organisation for Economic Co-operation and Development
Nongovernmental organizations (NGOs), often transnational or international in scope and membership	Normative, ideological, or policy goals; human rights, the environment, religion	Red Cross, Amnesty International, Greenpeace, the Catholic Church

Interests:
Actors and Preferences

Map 2.1: The Middle East

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Interactions

Actors are *purposive*; they develop strategies that they believe are the best response to the anticipated strategies of others.
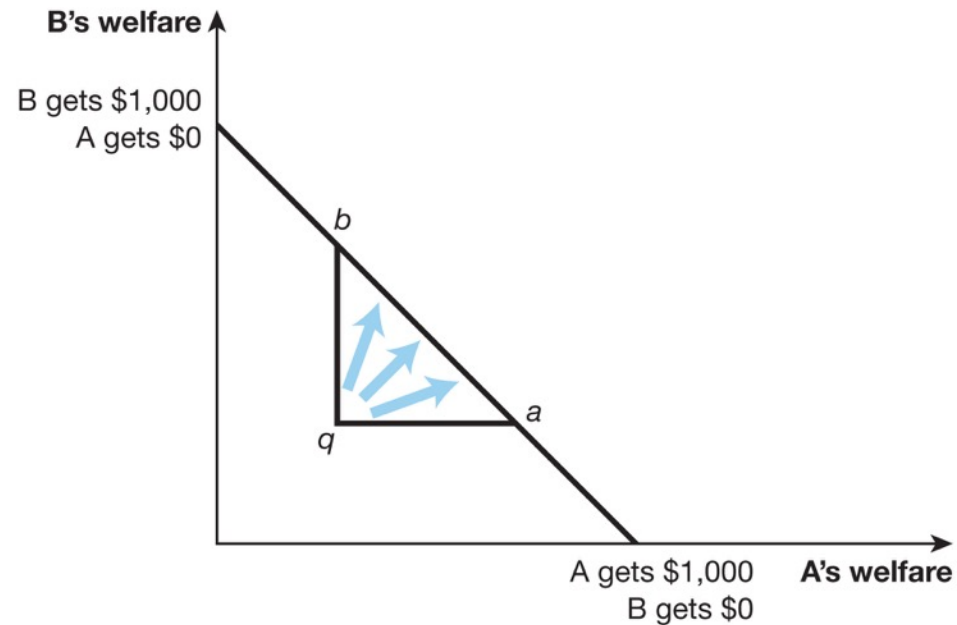
Interactions

Strategic interactions: each actor's strategy or plan of action depends on the anticipated strategy of others.

Interactions: Cooperation

- Two or more actors adopt policies that make them better off than they were before.

- This can create additional value.

Interactions: Cooperation
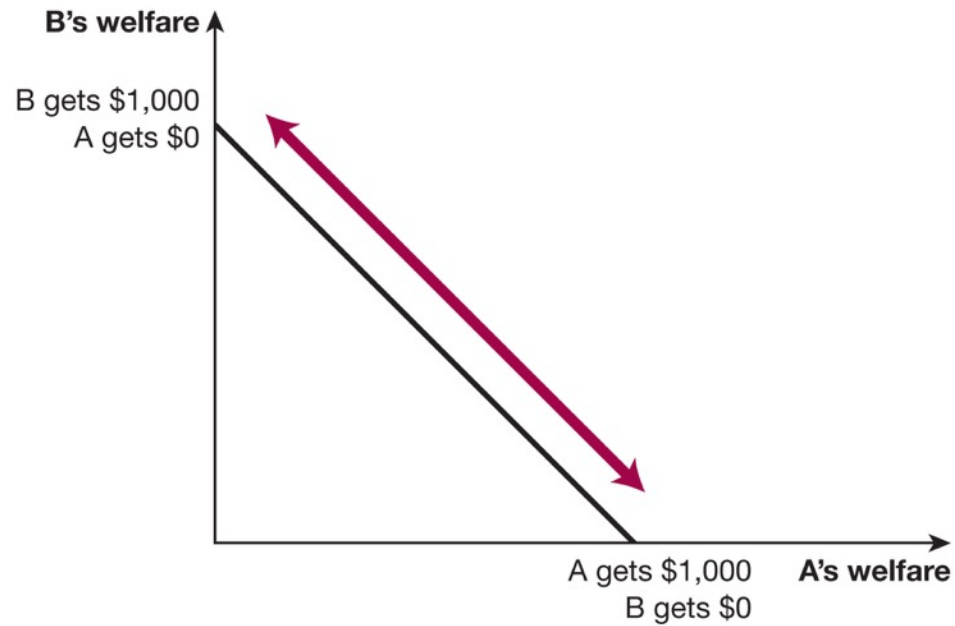
Figure 2.1: Cooperation

Interactions: Cooperation

- Coordination
- Collaboration

Interactions: Cooperation

Figure 2.2: Bargaining

Interactions: Bargaining

Coercion or threat

Interactions: Bargaining

Depends on *BATNA*

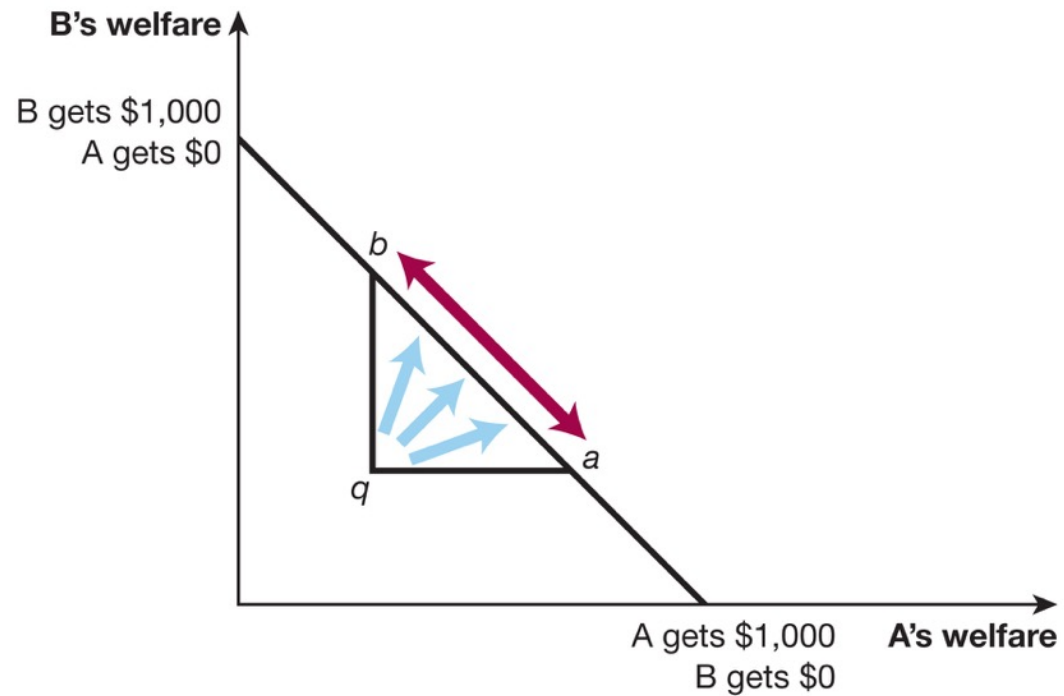   B: BEST

   A: ALTERNATIVE

   T: TO

   N: NO

   A: AGREEMENT

Interactions: Bargaining

Figure 2.3: Cooperation and Bargaining

Putting It Together: Preferences and Interactions

- Ordinal preferences
- Ranking preferences

The Game Matrix

Figure 2A.1: A Game Matrix

	A2 C	A2 D
A1 C	4, 4	1, 2
A1 D	2, 1	3, 3

The Prisoner's Dilemma

Figure 2A.2: The Prisoner's Dilemma: A Collaboration Problem

	A2 C	A2 D
A1 C	Both prisoners get out and split the loot.	A1 goes to jail; A2 goes free and keeps all the loot.
A1 D	A1 goes free and keeps all the loot; A2 goes to jail.	Both go to jail and split the loot later.

	A2 C	A2 D
A1 C	3, 3	1, 4
A1 D	4, 1	2, 2*

The Prisoner's Dilemma

Figure 2.4: U.S. and Soviet Russian Strategic Nuclear Weapons Inventories, 1945-2010
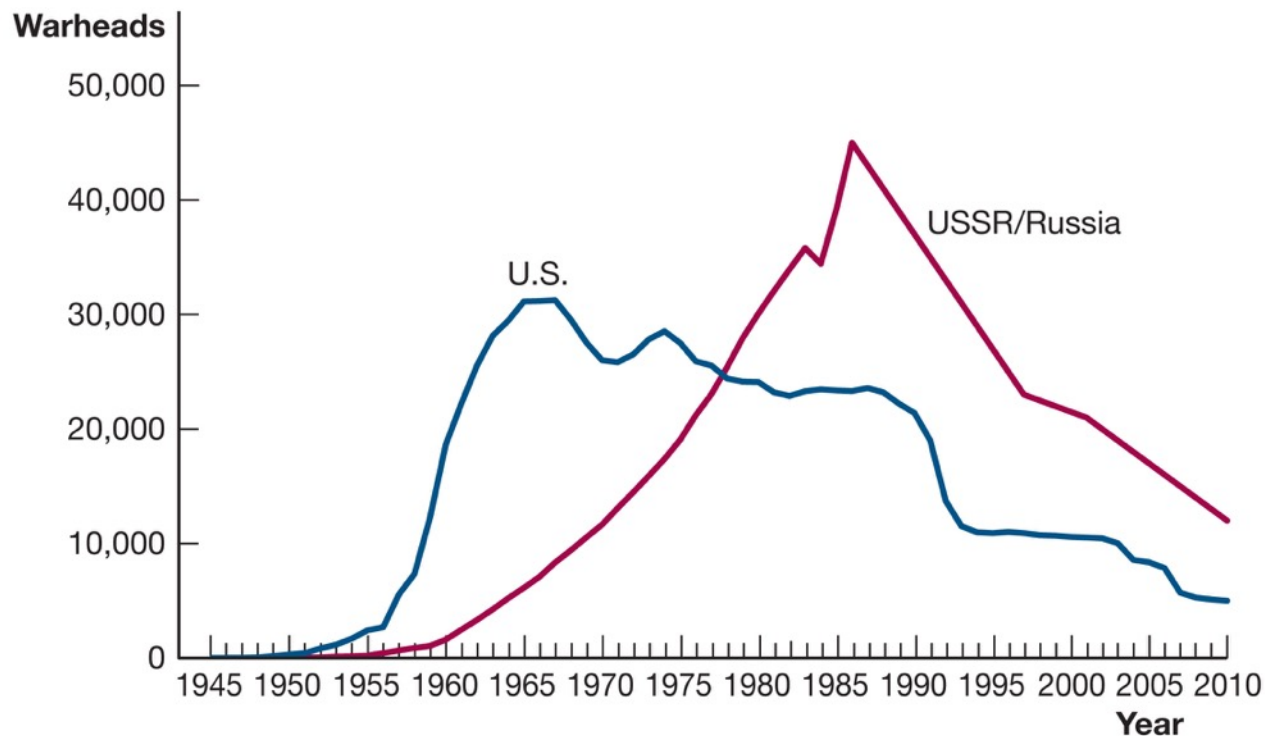
Cooperation Problems and Public Goods

- Public Goods

- Free Riding

- Collective Action Problems

Cooperation Problems and Public Goods

Figure 2A.3: Chicken

	A2 C	A2 D
A1 C	Both drivers swerve; neither is humiliated or harmed.	A1 is "chicken"; A2 "wins."
A1 D	A1 "wins"; A2 is "chicken."	Both drivers are killed in a serious wreck.

	A2 C	A2 D
A1 C	3, 3	2, 4*
A1 D	4, 2*	1, 1

Cooperation Problems and Public Goods

Figure 2A.4: The Stag Hunt

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Institutions

Institutions

- Numbers: the more, the more difficult
- Iteration and linkage
- Information

- What role do institutions play?
- How do institutions balance rule-based interaction with power?

How Institutions Promote Cooperation

- Enforcement or punishment
- Self-enforcing agreements (no incentives to defect)
- Setting standards of behavior: the clearer, the better

How Institutions Promote Cooperation

- Monitoring and surveillance
- Reducing costs of joint decision-making
- Resolving disputes

Institutions are not neutral.

How Institutions Promote Cooperation

Institutions

- Most states follow the rules most of the time.

- Institutions can facilitate cooperation that would have been unlikely without institutions.

- It is less costly to use existing institutions, even if imperfect, than to establish new ones.

Political Science 12: International Relations